Economic co-operation with UK

3567. DR. VIJAY MALLYA: Will the Minister of FINANCE be pleased to state:

(a) the main issues discussed with the British Chancellor of the Exchequer during his delegation's recent visit to the country;

(b) whether any agreement/documents signed during the meetings with the UK delegation; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Mr. Gordon Brown, British Chancellor of the Exchequer met Hon'ble Prime Minister and Finance Minister in New Delhi on 18th January, 2007. Various bilateral and multilateral issues of mutual interest were discussed during these meetings. No agreements/documents were signed during the meetings with the UK delegation.

Illegal trade with neighbouring countries

3568. SHRI MATILAL SARKAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that liquidity of goods between India and neighbouring countries is going on, despite precautionary and preventive measures;

(b) whether Government have made any assessment about the loss of revenue on account of these illegal trades;

(c) if so, the extent of loss; and

(d) whether Government are trying to organize border-markets for the benefit of the producers on the border area and to enlarge legal trades in order to minimize the illegal ones?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) A realistic assessment of the loss of revenue on account of illegal trade has not been made. However, in the recent past, there is no

significant increase in smuggling across India's borders with neighbouring countries.

(d) Yes, Sir. There is a proposal to set up Border Haats along the Indo-Bangladesh border. Currently, there is border trade arrangement at three Land Customs Stations (LCS) on the Indo-China border and one LCS on the Indo-Myanmar border, as per the bilateral agreements with China and Myanmar respectively.

ADB aid to Kerala for development of projects

3569. SHRI ABDUL WAHAB PEEVEE: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Kerala has signed any agreement with Asian Development Bank securing loan for construction and development of various projects in the State; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. There are two ongoing projects in Kerala State with loans from Asian Development Bank. One loan agreement (Loan No. 2166-IND and Grant No. 0005-IND) regarding Tsunami Emergency Assistance (Sector) Project was signed on 12th May, 2005 and another loan agreement (Loan No. 2226-IND) regarding Kerala Sustainable Urban Development Project was signed on 8th December, 2006 by State Government of Kerala with Asian Development Bank.

(b) Under Loan No. 2166-IND and Grant No. 0005-IND regarding Tsunami Emergency Assistance (Sector) Project, ADB has provided a package of US $ 56.25 million ($ 32.45 million is on loan basis and $ 23.80 million is on grant basis). Objective of the Project is to support the efforts of State Government of Kerala for accelerated economic growth and poverty alleviation in the Tsunami affected areas primarily through restoration of livelihoods, especially of the poor and rehabilitation and reconstruction of damaged public infrastructure.

Under Loan No. 2226-IND regarding Kerala Sustainable Urban Development Project, ADB has provided a loan of US $ 221.2 million. The objectives of the Project are to improve the urban environment, economy